

**REGULAR MEETING OF THE  
BRIGHAM CITY COUNCIL  
MAY 7, 2009**

PRESENT:	Lou Ann Christensen	Mayor
	Bruce Christensen	Councilmember
	Scott Ericson	Councilmember
	Reese Jensen	Councilmember
	Ruth Jensen	Councilmember
	Bob Marabella	Councilmember
ALSO PRESENT:	Ben Boyce	Leisure Services Director
	Mary Kate Christensen	City Recorder
	Blake Fannesbeck	Public Works Director
	Jared Johnson	Community Development Manager
	Bruce Leonard	City Administrator
	Mike Nelsen	Police Lieutenant
	Scott Oldham	Parks Superintendent
	Tyler Pugsley	Public Works Assistant Director
	Jason Roberts	Finance Director
	Paul Tittensor	Chief of Police
	Dennis Vincent	Police Lieutenant
	Alan Wright	Public Power Director

Mayor Christensen called the meeting to order. The Reverence Period was given by Councilmember Marabella. The Pledge of Allegiance was recited.

Approval of Minutes: Councilmember Christensen noted that in the minutes of April 2 Council meeting, page 10, line 41, it should say, "They require *less* maintenance." Councilmember Ericson stated that in the April 27 Work Session when the Council discussed changing the CPI, it states "the CPI since March 2009 is -.9%." It should be March 2008. A motion to approve the minutes of April 23 and 27, 2009 Budget Work Sessions and April 2 City Council and Executive Session as amended was made by Councilmember Marabella. The motion was seconded and carried.

Mayor Christensen presented the agenda as follows:

**PRESENTATIONS**

Presentation of "If I Were Mayor for the Day, What Would I Do to Make Life Better for its Citizens"  
Essay Winners  
Council's 2009-10 Budget Presentation

**PUBLIC COMMENT**

**PUBLIC HEARING**

Hear Public Input on the Edward Bryne Memorial Justice Assistance Grant to Purchase Equipment  
for the Police Department

**SCHEDULED DELEGATION**

Update on Ruby Pipeline Project

**NEW BUSINESS**

Tree Line City Award  
Report on Arbor Day Presentation of Tree City USA  
Request to Develop a Drug Collection/Disposal Program  
Request for Approval of Resolution Amending the Policies and Procedures for Collection of  
Delinquent Utility Accounts and Termination of Service  
Request for Approval of Resolution Amending Guidelines for Utility Deposits  
Request for Approval of Good Landlord Program  
Request for Approval of Resolution Increasing Electric Rates to Reflect the May 8, 2009 Rocky  
Mountain Power Increase

## **MAKING LIFE BETTER - DEPARTMENT REPORTS**

### **CLAIMS**

Payment Register

Councilmember Christensen made a motion to approve the agenda as amended. The motion was seconded and carried unanimously.

## **PRESENTATIONS**

### **Presentation of "If I Were Mayor for the Day, What Would I Do to Make Life Better for its Citizens" Essay Winners**

Mr. Alan Wright and Jolene Crockett, Administrative Assistant, came forward. Mr. Wright explained that as part of Making Life Better Day scheduled for May 20, 5th grade students from the surrounding area were asked to write an essay on this subject.

Ms. Crockett announced the winners. The third place winner was Kylie Whitaker from Lake View and she received a 20-punch pass to the pool. Sadie Hyde from Foothill received second place and received a 50-punch pass to the pool. The first place winner was William Monson from Discovery School. He received a family season pass to the pool and his 5th grade class will receive free bucket rides at the Making Life Better Day. Each winner read their essay.

### **Council's 2009-10 Budget Presentation**

Mayor Pro Tem Jensen presented the Council's 2009-10 proposed budget.

The following points were the Council's main focus as they reviewed the budget:

1. Stay the course for Vision 2012
2. No reduction in City services
3. Maintain the integrity of our infrastructure
4. Fund for capital improvements
5. Maintain emergency funds
6. Avoid reduction in work force
7. Protect employee benefits
8. Keep employees to at least 96% of market

As the Council evaluated where the City is in the midst of the financial downturn, they realized the City is fortunate because there is a culture among employees of frugality, teamwork, a can-do attitude, cost awareness, and awareness of cost reductions. It is because of this culture that the City has been able to deal with the current economy in a more proactive approach rather than reacting to the crisis. For example, the ambulance rebid the oxygen supplier contract to provide oxygen to be used in our portable and stationary tanks saving \$5,000 in the first year. They also developed a "real time" inventory system for disposable supplies and only purchasing disposal supplies when actually needed and in the minimum amount. The Fire Department is using train the trainer where possible as opposed to sending firemen out of the City for training and car pooling or using the City van when possible. The Emergency Management Department is using volunteers for office work. Leisure Services have reclassified all temporary positions and placed them in the appropriate wage bracket to better reflect the local job market. They also delayed early hiring of temporaries and terminating those employees as early as possible without compromising job needs and requirements. They have also asked vendors to warehouse supplies and materials and still give the City the volume purchase price. They have used in house resources when possible, maximized the use of volunteers, and federal summer intern programs have been applied for to supplement the work force. Public Works has reduced storm drain cleaning expenses by \$10,000 by using in house manpower and equipment for annual clean out of catch basins. They started using the UDOT fueling station at the mouth of the canyon for an average savings of 15 cents per gallon. They saved \$75,000 for tree trimming by using in house crews in conjunction with contractors. They saved \$2,000 by repairing a backflow valve in house instead of replacing it. They continue to save money by centralizing purchasing. They saved \$6,000 by repairing hydrants on Main Street instead of purchasing new ones. Bidding projects during the economic downturn has cut pricing in half from engineering estimates. They rebuilt a pump at the Waste Treatment Plant instead of replacing it, saving

\$15,000. They rebuilt an aerator and saved \$7,000. They coordinated street cuts with the Street and Water Departments which saved several thousand dollars on street repairs. The Administration Department is requiring every purchase order over \$5,000 be pre-approved by the Director of Finance prior to purchase. They have begun investing excess cash in higher yielding CDs to maximize interest income. They have also analyzed the cost of banking services and saved \$2,000 per year by cancelling a sweep service that was not making any money. The Police Department reduced one part-time employee saving \$12,000 per year. They also reduced one police fleet vehicle saving \$24,000. The Senior Center budget lines, with the exception of their nutrition line, have remained the same for many years. They are continually seeking ways to save money on the nutrition program by utilizing the Community Pantry and seeking better prices for items they use regularly. They also have a protocol in place in case they need to limit the number of participants receiving Meals on Wheels or attending the congregate lunch site. The Museum reduced exhibit expenses by taking advantage of the National Endowment for the Humanities. They also switched to postcard mailers for advertising and have stopped outsourcing for graphic design projects. They saved in the professional/technical line by doing projects themselves and restricting unnecessary projects. They are also making use of volunteers.

In preparing the 2009-10 budget the main focus was balancing the budget while being sensitive to the current economic effect of Brigham City citizens. They faced significant challenges in budgeting this year's expenditures. It is projected over a half million dollars reduction in revenue from sales tax and interest income. Sales tax is projected to decrease 10% and interest income by 69%. It is also projected that energy sales will decrease for some of the larger commercial and industrial businesses within the City.

Some additional challenges are that electric rates will increase from Rocky Mountain Power (RMP) and Western Area Power Administration (WAPA). The City has invested in a long-term master plan for all utilities. The challenge is to manage the revenue to support a general fund budget of \$11.2 million and a utility budget of \$17.1 million. One of the key economic solutions the Council implemented in this budget is to pass through the energy cost increases from RMP and WAPA. The City is not in a position to absorb these increases so the users are going to have to pay for what they use. Another is to use approximately \$177,000 from the Fleet Fund to cover expenditures. In addition, the directors have been directed to restrain their budgets. There are no projected increases in the General or Utility Fund Balances.

Additional economic solutions include funding grant projects to leverage City funds against projected costs. An example of this is a grant received for the airport in which the City will pay \$26,000 and in return the City will receive \$1.2 million in grants. For the Mantua trail system the City will receive \$466,000 and the City will pay \$75,000 and \$89,000 in in-kind services. The City will invest \$6,500 for a matching grant for police safety vests. It is also proposed to use Capital Project Funds to approve projects that have been approved by the City Council. This will facilitate a better utilization of surplus funds from approved capital projects and take advantage of the purchasing power of the dollar in the current economy. The City will continue to aggressively seek grant funding.

This year's proposed General Fund Revenue is proposed to decrease 1% over last year's budget. The proposed General Fund Budget for 2009-10 is \$11.2 million, which is down slightly from last year's of \$11.3 million.

Property tax comprises only 6% of the General Budget. Sales tax and transfers make up 24% and 30% respectively. Sales tax is projected to be \$2.7 million, which is 10% lower than last year due to the current economy.

The Council has set a policy to decrease the percentage of utility transfers to the General Fund. In 2006-07 the percentage was 17%. The 2009-10 budget has the transfer set at 15.3%, totalling \$2.37million, which is 1% less than last year. The overall percentage of funds being transferred is going in the right direction. The City needs to maintain this trend by increasing utility rates.

The 2008 audit report revealed an upward trend in the General Fund fund balance. The City needs to maintain this trend by regularly increasing utility rates to compensate for the ever increasing cost of operation. As of June 30, 2008 the City can finance operations for 134 days without any revenue. It is estimated the fund balance as of July 30, 2009 will be \$2 million, which is an 18% increase from June 30, 2008.

The 2008 audit report indicated that as of June 30, 2008 the unappropriated fund balance in the General Fund was under the state limit of 18% by \$336,000. During the past year the City has added to the General Fund Balance and are estimating that the amount under the state limit by June 30, 2009 will only be \$10,000. Because of that, the Council is not proposing any increases in the General Fund balance.

The cost to operate City utilities is continually increasing. The budget includes a utility rate increase of 3.32% for water, waste collection, storm drain, waste treatment and electrical. This is less than the 3.8% CPI which the Council benchmarked. The budget includes \$1 million for electrical grid improvements and \$552,000 for water system improvements. There is also \$20,000 budgeted for consulting services to investigate renewable energy resources and prepare guidelines to achieve them.

As of June 30, 2009, it is estimated the Electric Emergency Fund will be at \$304,000. An additional \$50,000 is budgeted for this fund. It is estimated by June 30, 2010 it will be up to \$354,000. This money is available to replace major electric infrastructure in emergency situations. The cost of a large transformer at the east substation would be between \$500,000-\$1.7 million.

Next year's budget will include an increase from RMP of 3.65% and WAPA by 2.42% and a municipal energy sales tax increase of .75%. These will be passed onto the consumer.

Total expenditures for the 2009-10 budget are \$37 million, an increase of 10% over last year's expenditures of \$33.6 million. The breakdown of expenditures include \$11.2 million for the General Fund, \$965,000 for debt service, \$745,000 for the golf course fund, \$86,000 for the airport, \$17.1 million for public utilities, \$1.9 million for the Fleet, \$746,000 for the library, \$2.1 million for the RDA, and \$1.2 million for capital project funds.

Supervisors were asked to submit a flat budget for this year's operations. Everyone met this challenge except in circumstances where operating needs had to be increased to cover past deficits.

Over one-third of the total general budget is spent in public safety, including Police, Fire, Ambulance and Emergency Services. The Administration Department comprises 22% of the budget, which includes the Mayor's Office, City Council, Administration, Buildings, Economic Development, Human Resources and Risk Management. The Public Works Department comprises 26% of the overall expenditures and has five divisions that include: Community Development, Inspection, Streets, Parks and Public Works/Engineering. The Leisure Services Department comprises 12% of the General Fund Budget and has four divisions that include: Leisure Services Administration, Cemetery, Swimming Pool and Recreation. The Senior Citizen's Department comprises the remaining 5% of the budget.

In the 2008/09 Budget \$50,000 was budgeted for emergencies and disasters. Last year's Box Elder Creek restoration project was appropriated from this fund dropping the estimated balance at June 30, 2009 to \$20,000. In the 2009-10 budget this was increased by \$100,000. The estimated Emergency Disaster Fund balance at June 30, 2010 will be \$120,000.

This year the departments submitted capital improvement requests in excess of \$8.3 million. This did not include \$8.9 million for the Wakegan Water and Sewer Utility Project which will be funded by State loans that the City bonded for and are guaranteed by the Box Elder County Special Assessment Area and Procter & Gamble. Subsequent to prioritizing the requests, we have budgeted for \$2 million worth of capital facility upgrades in the 2009-10 budget.

This coming year's budget contains 21 new vehicles and specialized pieces of equipment that will be replaced and 10 vehicles and specialized pieces of equipment that will be leased for a combined total of 31 vehicles and pieces of equipment. The vehicles and equipment will be purchased through the Fleet Lease Replacement program for a total of \$991,294. Last year a total of 18 vehicles and new pieces of equipment were purchased and 12 pieces of equipment were leased at a cost of \$1.1 million, of which \$200,000 was used to purchase a new platform ladder truck.

The expenditures this year have been reduced by 6%. Generally speaking, the leased equipment is comprised of the Fire Department vehicles and the heavy equipment used by other departments for excavation and maintenance.

The Council used the CPI of 3.8% as this year's bench mark for the 2009-10 Performance Merit increases. However, due to the struggling economy, it was necessary to decrease the merit increases to 1% and fund a market adjustment of \$15,411 for employees below the minimum range of their pay grade. In light of the current economy and in comparison with other cities along the Wasatch front, we believe this increase to be reasonable. Our employees are currently at 96% of market. We were able to continue the match for employee 401K retirement plans, keep health insurance participation the same, avoid employee lay offs, work furloughs or reduced work hours. The City Council has agreed to re-look at the merit increase in October when we have a better feel for the 2009 sales tax revenue.

Mayor Pro Tem Jensen expressed appreciation to the Mayor, staff and employees for the excellent job they did in preparing their budgets and supporting the vision. The Council was able to balance this budget because of their commitments.

A public hearing on the 2009-10 budget will be held on June 4 as part of the regular City Council Meeting.

### **PUBLIC COMMENT**

Jerry Ohman - Mr. Ohman commented on the proposed Good Landlord Program. He and members of his Association appreciate the Council considering this. Some years ago the US Government gave an award to a corn grower in Iowa for being the most effective corn grower in the nation. The newspapers, in an attempt to create some controversy, interviewed neighbors and discovered all his neighbors were delighted. They discovered that this particular farmer had shared all his ideas, all his special corn seeds without cost with all his neighbors. As a result of that, everyone else was also very successful. The reporter asked the man why he did this. He told the reporter that corn is pollinated by the wind. If he did not allow his neighbors to have good corn he could not have good corn himself. Mr. Ohman said this story illustrates what they are attempting to do with the Good Neighborhood Program. If it passes, it will put everyone on a level playing field when landlords select tenants. They will know the quality of tenants and be able to justify the rejections. There are many landlords who are in favor of this proposal.

Bliss Law - Mr. Law said he also has rental agreements in Brigham City and he is also in favor of the Good Landlord Program. One of the good things about it is that all members will be screening tenants. As he screens tenants, when they find out that their credit and background are going to be reviewed, a lot of them won't submit an application. This reduces the number of bad tenants.

There were no further comments from the public.

### **PUBLIC HEARING**

#### **Hear Public Input on the Edward Bryne Memorial Justice Assistance Grant to Purchase Equipment for the Police Department**

Chief Tittensor explained that this grant is from the American Recovery and Reinvestment Act as part of President Obama's Stimulus Package. Brigham City has been designated to receive \$34,000 of funding for qualifying items. Brigham City will use the grant for technology and equipment. It will be shared with the Sheriff's Office.

A motion to open the public hearing was made by Councilmember Christensen, seconded by Councilmember Ruth Jensen and carried. There were no comments from the public. A motion to close the public hearing was made by Councilmember Christensen, seconded and carried.

### **SCHEDULED DELEGATION**

#### **Update on Ruby Pipeline Project**

Mr. Loren Locher with the Ruby Pipeline Project came forward and gave an update on the proposed project. They filed their full application with the Federal Energy Regulatory Commission (FERC) in January 2009. The next step is to receive a draft environmental impact statement from FERC. They anticipate this toward the end

of May or first of June. There will be a comment period in association with this. FERC will also hold public scoping meetings.

Locally, their right-of-way agents have been working diligently with local landowners. They are beginning to negotiate for acquisition of rights-of-way in what they think will be their proposed route. They are still waiting for the Certificate of Public Convenience and Necessity from FERC before they can move forward, but in anticipation that this will happen, they are preparing for that approval.

Mr. Locher presented the results of the geotechnical testing conducting in the fall of 2008.

The Brigham City area will be a major staging area. They are currently in negotiations with Box Elder County for a staging yard near Corinne.

Mayor Christensen said the City has talked about having a tie in to the gas line to enable the City to eventually use that as power generation. Mr. Locher said he would provide the name of the person to contact regarding this issue.

## **NEW BUSINESS**

### **Tree Line City Award**

Tom Ammons and Alan Wright came forward. Mr. Ammons reported that Brigham City has been designated as a Tree Line USA Utility for the eighth consecutive year. Brigham City is one of two cities in the state to receive this award. In order to qualify for this award the City must provide four safety classes relating to proper and safe trimming and trenching, engage in the services of a professional tree trimmer, provide community education, submit a Tree Power Activity Report to the American Public Power Association, support and participate with the Shade Tree Commission in celebrating Arbor Day. Mr. Ammons presented a flag and medallion to the Council. The flag will be flown at Rees Pioneer Park.

### **Report on Arbor Day Presentation of Tree City USA**

Mr. Oldham reported that Brigham City has received this award for the last 23 years. They also received a flag and medallion. They participated in an Arbor Day celebration at Discovery Elementary. They gave 100 Austrian Pear saplings to the children. They planted three trees on the school property.

### **Request to Develop a Drug Collection/Disposal Program**

Chief Tittensor came forward and stated that there has been some concern that prescription drugs being flushed down the toilet is not good for the environment. A program sponsored by the Department of Environmental Quality and the State of Utah Health Department was developed. It requires the Police Department to write a policy and it has a \$1,000 grant with it. This money will pay for a 14 gauge metal box, similar to a mailbox. It is required that it be housed in a secure area and bolted to the floor and be attended to on a daily basis.

MOTION: Councilmember Reese Jensen made a motion to authorize the Police Chief to develop a drug collection disposal program. The motion was seconded by Councilmember Marabella and unanimously carried.

### **Request for Approval of Resolution Amending the Policies and Procedures for Collection of Delinquent Utility Accounts and Termination of Service**

Mr. Roberts and Colleen Phillips, Utility Accounts Clerk, approached the Council. Mr. Roberts explained that the intent of this resolution is to cut down on the time Ms. Phillips spends working with the same people on collections and shortening the collection cycle to cut down on write-offs.

They proposed that a probationary customer be defined as a customer who has defaulted on a payment arrangement or has been shut off for non-payment. Any customer that keeps their account current for twelve consecutive months will be removed from probationary status. They proposed that deferral agreements not be allowed for those customers that are in probationary status. Ms. Phillips said she deals with approximately 300 customers a month that are chronic abusers.

It was also proposed that the deposit for probationary customers be increased from \$100 to \$300, or the amount previously sent to collections by the City, whichever is greater. Commercial customers that have been sent to collections would be increased from \$500 to \$1,000, or the amount previously sent to collections by the City, whichever is greater.

The resolution would also shorten the amount of time a customer has to pay their bill before being considered delinquent from 60 days to 30 days. The past due notice will be mailed after 30 days with Return Service Requested. If the customer no longer lives at the residence, it will come back to the City. The customer will have two weeks to pay the bill rather than 48 hours.

The late fee would increase from .0083% of the late payment amount to 5%.

When a customer discontinues services, they currently have 30 days to pay. If they haven't paid by that time a letter is sent after 44 days that allows them two weeks to pay. Then it has to go to Council before it can go to collections, so it can take up to two months to be sent to collections. This proposed change would automatically send them to collections after 30 days.

Councilmember Christensen suggested staff look at increasing the regular deposit. It has been \$100 since 1998. This is required for renters only. Washington City requires a \$300 deposit. Ms. Phillips added that Hyrum's deposit is \$200.

MOTION: Councilmember Christensen made a motion to approve the resolution amending the policies and procedures for collection of delinquent utility accounts and termination of services, seconded by Councilmember Reese Jensen. Councilmember Ruth Jensen asked if there is anything in place for those that are having a hardship. Ms. Phillips said they have the option of doing a deferral agreement and they can apply for HEAT, a state program that pays for the electric portion of the bill if they qualify. In addition, if a resident is on a lifesaving device they can be put on a limiter rather than being shut off. Voting was unanimously in favor.

**Request for Approval of Resolution Amending Guidelines for Utility Deposits**

This was discussed with the previous item.

MOTION: Councilmember Reese Jensen made a motion to approve the resolution amending guidelines for utility deposits, seconded by Councilmember Ericson and unanimously carried.

#### **Request for Approval of Good Landlord Program**

Mr. Jared Johnson and members of the Good Landlord Committee came to the table. They proposed that the City adopt a Good Landlord Program, which would be a cooperation between the landlords and the City. Mr. Johnson reported that 11% of police calls are going to rental units. The City is not telling the landlords how to run their business, but asking them to agree to screen tenants, help keep properties clean and keep criminal activity out of the rental properties.

Mr. Johnson said there was some question about the definition of "nonresident." This can be added under the definitions to explain that a nonresident is someone out of the State of Utah, not of Brigham City. If they live outside of Utah, they need to have an agent that lives in Utah that can manage the property.

Councilmember Christensen noted that this program is not only for landlords, it also protects renters.

This is a volunteer program. If landlords see the value in the program and want to participate, they can. Those that choose to join will have reduced business license fees.

MOTION: Councilmember Ericson made a motion to approve the ordinance amending Title 14 of the Brigham City Code and the resolution amending the business license fees. The motion was seconded by Councilmember Reese Jensen and unanimously carried.

#### **Request for Approval of Resolution Increasing Electric Rates to Reflect the May 8, 2009 Rocky Mountain Power (RMP) Increase**

Mr. Roberts explained that RMP notified the City that they will increase rates by 3.34% beginning May 8, 2009. It has been the practice in the past to pass these increases onto the customers. The City purchases 73% of our power from RMP, this would be a 2.44% rate increase to the customer.

MOTION: Councilmember Reese Jensen moved to approve the resolution increasing electric rates to reflect the May 8, 2009 RMP increase, seconded by Councilmember Marabella and unanimously carried.

### **MAKING LIFE BETTER - DEPARTMENT REPORTS**

#### **East Substation Repair**

Mr. Wright reported that a company came in and repaired the east substation; however, when the Electric Department checked it they discovered that it was leaking again. They put in another new bushing and they are letting it sit to let all the air dissipate out of the oil before they can start it back up. They will check it again on May 11.

#### **National Public Works Week**

Mr. Fonnesebeck announced that National Public Works Week is May 17-23. The theme is "Revitalize, Reinvest and Renew." These words signal a change in thinking and a new direction in practice. Revitalizing infrastructure means finding new ways to sustain performance using new materials and increasing efficiency. They are always trying to do more with less. Reinvesting in infrastructure will ensure safety, longevity and positive quality of life. There is not a citizen that does not have public works touch their life. Renewing infrastructure means replacing and reinvigorating the systems and structures on which people depend.

#### **Click It or Ticket Program**

Chief Tittensor announced that May 18-31 is Click It or Ticket Week, a push for use of seatbelts. Historically, the National Highway Public Safety has provided funding for overtime for officers. This year, only the five largest populated counties received this funding. However, the Brigham City Police Department feels it's important enough that they want to do this without overtime. Automobile accidents cause more deaths than anything else in America. Seatbelts save 75% if they were worn.

### **CLAIMS**

#### **Payment Register**

Councilmember Marabella moved to approve General Claims dated May 5, 2009 in the amount of \$208,724.51. The motion was seconded and carried.

A motion to adjourn to an Executive Session was made by Councilmember Reese Jensen. A roll call vote was taken in which all members voted aye. The meeting adjourned at 9:25 p.m. The Council returned to an open meeting at 10:02 p.m. and adjourned.